

**DEPARTMENT
POLICY****State-Funded FIP, SDA**

The department's interim assistance reimbursement (IAR) process helps ensure recovery of interim state-funded Family Independence Programs (FIP) and State Disability Assistance (SDA) benefit payments when the client is later determined eligible for Supplemental Security Income (SSI) for a retroactive period; see BEM 270, Pursuit of Benefits, and BEM 272, Repay Agreements.

The disability standard for both disability-related MA and SSI is the same; see BEM 260, MA Disability/Blindness. The federal SSI benefit payment rates are substantially higher than the state-funded FIP/SDA payment rates. It is a benefit to both the state-funded FIP/SDA recipient and the state when the individual is determined eligible for federal SSI benefits.

Clients who receive state-funded FIP or SDA who meet potential eligibility for SSI **or** have a Disability Determination Service (DDS) decision that indicates they meet the criteria for MA based on blindness or disability are required to pursue SSI; see BEM 270, Pursuit of Benefits.

State-Funded FIP

Refer state-funded FIP clients to the Social Security Administration (SSA) to apply for or appeal SSI after a client has verified a disability lasting longer than 90 calendar days or if the individual also receives MA based on a DDS decision that he/she is blind or disabled.

SDA

Refer SDA clients to the SSA to apply for or appeal SSI when they also receive or have been found as potentially eligible for MA based on a DDS decision that he/she is blind or disabled.

**Client
Responsibilities**

SDA clients receiving or those who have been found eligible for disability-related MA **must** comply with the requirements listed in this item. These clients **must** also cooperate with all SSA requirements and procedures when applying for SSI benefits. Failure to comply as required results in group ineligibility for SDA.

Local Office Responsibilities

Each local office **must** establish a system to:

- Identify potential SSI recipients.
- Refer SDA clients receiving or those who have been found eligible for disability-related MA to the SSA to apply for SSI.
- Monitor clients' progress through the SSI application and appeals process.
- Ensure that medical information (copy of the medical packet) is promptly forwarded to the Disability Determination Service (DDS) for consideration during the SSI initial application process.
- Submit a copy of a death certificate to SSA for clients who die while SSI is pending. This is obtained from the county clerk or the recipient's family. It is needed to request reimbursement from SSA for interim benefits.
- Clients must sign a DHS-3975, Reimbursement Authorization, as a condition of eligibility for state-funded FIP/SDA; see BEM 272, State-Funded FIP and SDA Repay Agreements.

Note: Each local office must establish a procedure to make sure the DHS-3975 is signed by the client for state-funded FIP and SDA **before** the medical determination application information is sent to the DDS. The DHS-3975 is submitted to SSA to help ensure that the department will be able to successfully recover state funds issued while an SSI claim is pending. SSI lump sum payments are issued by SSA directly to the department's Payment Reconciliation Section (PRS) through the IAR process.

The local office must ensure that the client meets the time limits specified in this item for the following actions, if required:

- SSI application.
- SSI reconsideration request; see Request Reconsideration in this item.
- SSI hearing request.

- SSI appeals council review.

Use a DHS-4098, SDA/SSI Referral Checklist, to assist in completing these responsibilities and adhering to SSI time limits and deadlines.

Local Office Procedures for SSI Referral and Application

Refer to the DHS-4098, SDA/SSI Referral Checklist, when reviewing the following procedures. The DHS-4098 is an abbreviated, outline version of the local office procedures that is intended to assist in tracking a client's progress through the SSI application and appeals process. File the DHS-4098 in the front of each case record.

1. Receive information that an applicant or recipient meets the criteria for both SDA and MA based on disability or blindness based on a DDS, or administrative law judge (ALJ) decision that the client is blind or disabled.
2. Use a DHS-1551, Notice to Apply, to contact the client within 10 calendar days to arrange an interview.
3. Interview the client.
4. Verify that the client has filed an SSI application. Verification includes:
 - A copy of the DHS-1552.
 - Single Online Query (SOLQ).
 - Documented telephone contact or written verification from SSA.
5. If an SSI application has not been filed, go to No SSI Claim Filed with SSA.
6. If an **SSI application has already been filed**, go to **SSI Claim Pending With SSA**.

No SSI Claim Filed with SSA

1. Refer the client to SSA to file an SSI application.

Note: The client can establish a **protected filing date** for SSI benefits by taking the following actions:

- Calling SSA (toll-free at 1-800-772-1213).
- Indicating the intent to apply for SSI.
- Obtaining a scheduled appointment date and time with an SSA district office to file the formal SSI application.

Note: The local office can expedite the filing of the initial SSI application by providing the client with access to a telephone for the toll-free call to SSA.

2. Have the client sign the following:

- DHS-1555, Authorization to Release Protected Health Information.
- DHS-3975, Reimbursement Authorization.

Note: A new DHS-3975 must be signed at every reapplication for SSI **and before** the medical determination application information is sent to DDS.

3. Approve client for SDA and disability-related MA.

4. Complete a DHS-1551, Notice to Apply, to notify the client in writing to keep the scheduled appointment with SSA and file the formal SSI application. Give the client the original DHS-1551. File a copy in the medical packet.

5. Send the following items to SSA:

- DHS-3975.
- A return envelope.
- DHS-1552.

6. File the original DHS-1555 in the medical packet.

7. Verify whether the client has filed an application for SSI within 10 calendar days. Acceptable verification includes:

- A copy of the DHS-1552.
- Single Online Query (SOLQ).
- Documented telephone contact or written acknowledgment from SSA.

8. Allow an extension if the client is unable to file an SSI application within the 10-calendar-day limit for any of the following reasons:
 - The client is ill.
 - The client's county of residence does not have an SSA district office.
 - SSA is unable to schedule an appointment within 10 calendar days. Allow the client to verify he/she has a scheduled appointment date and time to file the formal SSI application.
9. If the client is cooperating with the SSI application process, continue to step 10. **If the client is not cooperating, close state-funded FIP/SDA and MA-P.** End procedure.
10. Send a copy of the medical packet to the disability examiner at the DDS **after the client has applied for SSI**. Use DHS-1992, -1993, -1994, -1995, SSI Medical Evidences Routine Slip, to transmit a copy of medical evidence to DDS. Use the appropriate Medical Evidence Route Slip for the DDS office serving your local office. Use an interdepartmental mail envelope to preserve confidentiality.
11. Go to Monitoring the SSI Application below.

SSI Claim Pending with SSA

1. Have the client sign the following:
 - DHS-1555, Authorization to Release Protected Health Information.
 - DHS-3975, Reimbursement Authorization.

Note: A new DHS-3975 must be signed **at every** reapplication for SSI **and before** sending the medical determination application information to DDS.
2. Approve client for SDA and MA based on disability.
3. Send all the following items to SSA:
 - DHS-3975.

- A return envelope.
 - DHS-1552.
4. File the original DHS-1555 in the medical packet.
 5. Send a **copy** of the medical packet to the disability examiner at DDS. Use a DHS-1992, -1993, -1994, or -1995, Medical Evidence Route Slip, to transmit a copy of medical evidence to DDS. Use the appropriate Medical Evidence Route Slip for the DDS office serving your local office. Use an interdepartmental mail envelope to preserve confidentiality.

Monitoring the SSI Application

1. Verify that SSA has correctly coded the pending SSI claim as **interim assistance**. Acceptable verification includes any of the following:
 - DHS-1552.
 - Single Online Query (SOLQ).
 - Documented telephone contact or written acknowledgment from SSA.

Note: If the interim assistance code is incorrect, see BEM 272.

2. Review verification of the disposition of the SSI application:
 - If **approved**, advise the client to contact DHS immediately when the individual receives an SSI payment. End process.
 - If denied for **non-disability** reasons, review ongoing eligibility based on this information. End process.
 - If denied for **disability** reasons, go to Request an SSI Hearing in this item.

Note: If a notification of disposition has not been received within 120 days of the date of the SSI application, determine the status of the SSI application. Acceptable verification includes any of the following:

- DHS-1552.
- Single Online Query (SOLQ).
- Documented telephone contact or written acknowledgment from SSA.

Request Reconsideration

Applicants filing SSI applications in Michigan no longer have access to the reconsideration appeals step. Their first appeal step is to request a hearing. However, SSI applications filed in other states have access to this step in the appeals process.

Request an SSI Hearing

An SSI hearing **must** be requested within 60 days of the SSI application denial date. The specialist must:

1. Send the client a DHS-1551, a DHS-1552 marked “Appeal” and a return envelope.
2. Verify whether the client has requested an SSI hearing within 10 calendar days of the date the DHS-1551 is sent to the client. Acceptable verification of a request for an SSI hearing includes any of the following:
 - DHS-1552.
 - Single Online Query (SOLQ).
 - Documented telephone contact or written acknowledgment from SSA.

Note: SSA does allow good cause for late filing. As a result, allow an extension if the client is unable to file the request for hearing at SSA within the 10-calendar-day limit for any of the following reasons:

- The client is ill.
 - The client’s county of residence does not have an SSA district office.
3. If the client is cooperating with the SSI application process, continue with step 4. **If the client is not cooperating, close state-funded FIP/SDA and MA-P.** End procedure.
 4. Review verification of the disposition of the SSI hearing:
 - If **approved**, advise the client to contact the department immediately when he/she receives an SSI payment. End process.

- If denied for **non-disability** reasons, review ongoing eligibility based on this information. End process.
- If denied for **disability** reasons, go to **Request an Appeals Council Review** below.

Note: If a notification of disposition is not received within 180 days of the date of the hearing request, determine the status of the SSI hearing request. Acceptable verification includes any of the following:

- DHS-1552.
- Single Online Query (SOLQ).
- Documented telephone contact or written acknowledgment from SSA.

Request an Appeals Council Review

An appeals council review request must be filed within 60 days of the SSI hearing decision date. The specialist must:

1. Send the client a DHS-1551, a DHS-1552 marked "Appeal" and a return envelope.
2. Verify whether the client has requested an appeals council review within 10-calendar-days of the date the DHS-1551 is sent to the client. Acceptable verification that an Appeals Council brief has been filed includes any of the following:
 - DHS-1552.
 - Single Online Query (SOLQ).
 - Documented telephone contact or written acknowledgment from SSA.

Note: SSA does allow good cause for late filing. As a result, allow an extension if the client is unable to file the Appeals Council brief at SSA within the 10-calendar-day limit for any of the following reasons:

- The client is ill.
- The client's county of residence does not have an SSA district office. The client or the client's legal representative is still preparing the appeal.

3. If the client is cooperating with the SSI application process, continue with step 4. **If the client is not cooperating, close state-funded FIP/SDA and MA-P.** End procedure.
4. This verification may include any of the following:
 - DHS-1552.
 - Single Online Query (SOLQ).
 - SSA-831. Documented telephone contact or written acknowledgment from SSA.
5. If the appeals council decision is a denial, the decision is now binding on the MA case. The Final SSI Eligibility Determination procedures are listed below, as well as in BEM 260.

Final SSI Eligibility Determination

Once SSA's decision is **final**, the local office **must take the following actions**:

1. For clients receiving **SDA/MA**, SSA's determination that disability or blindness **does not exist** for SSI is **final and the SDA/MA case must be** processed for closure if:
 - The determination was made after January 1, 1990, **and**
 - No further appeals may be made at SSA; see Exhibit II in BEM 260, **or**
 - The client failed to file an appeal at any step within SSA's 60-day limit, **and**
 - The client is **not** claiming:
 - A totally different disabling condition than the condition SSA based its determination on, **or**
 - An additional impairment(s), change, or deterioration in his/her condition that SSA has reviewed and not made a determination on yet.

Note: If the client alleges either condition listed above, obtain a new medical report and resubmit to the DDS for a new determination in accordance with BEM 260.

LEGAL BASE**FIP**

Mich Admin Code, R 400.3120 et. seq.

SDA

Annual Appropriations Act

Mich Admin Code, R 400.3151 – 400.3180